

**REPRESENTATIVE TOWN MEETING
TOWN OF DARIEN, CONNECTICUT
FINANCE & BUDGET COMMITTEE**

**Minutes of a Regular Meeting Held on January 21, 2010
“DRAFT”**

On January 21, 2010, a meeting of the RTM Finance & Budget Committee was held in Room 206 of the Darien Town Hall with eleven of sixteen members present.

Present were:

Charles Brode
Jack Davis
Terry Duffy (left 8:05 p.m.)
Ted Hawkins
Nora McIlree
Bruce Orr
John Price
Anita Rycenga
Marc Thorne (arrived 9:05 p.m.)
John Wolcott
Kirk Hoffman

Absent were: Preston Bealle, William Smith, Reilly Tierney, Tim Schwarz, Michael Harmon

The Chairman, Bruce Orr, called the meeting to order at 7:35 p.m. Also present in the audience, were Kate Buch, Town Finance Director as well as some members of the Police Commission and Pension Fund Commission. Mr. Orr welcomed new finance and budget committee members.

The agenda for the meeting was accepted. Kate Buch gave an informative presentation on the Town and Police pension funds and brought some actuarial and other reports as handouts. Town contributions to the plans are based on the actuarial reports but the plans are never fully funded. Up to appx. 88% is funded. Moody's recently reviewed and looked favorably on the current status. Last year there were no increases in assets but this year there are. Plans are qualified giving employees the option to contribute pretax dollars. Pension committee manages how fund invested. The reporting is in accordance with GASB/GAAP. The audit report is available for review on the web under comprehensive financial reports and footnote #12 deals with the retirement plans. General Q&A and discussion wrapped up Kate's overview.

Mr. Stolar, a CPA and resident of Darien, was invited to give an overview of his interpretation of the proposed Allen O'Neill redevelopment plan. His analysis forecasts cash flow problems which he suggests threaten the economic viability of the plan. He also pointed out some areas where the Town will be approached for funds to cover improvements needed at intersection of Noroton Ave. and West Ave. and sewer/drainage improvements/accommodations. He urges extreme caution when reviewing the plan.

Chief Lovello was invited to recap the JAG grant, the gift from DTCF for accident investigation software and hardware, and the resolution covering the mutual police assistance agreement. The JAG grant would cover audio/video equipment that would aid in the training of police officers. With the schedules of the 51 officers it becomes difficult to coordinate training and this equipment would provide much needed flexibility. They have been working with students at the high school and sharing their equipment and while it's been a successful endeavor some scheduling conflicts arise. The DTCF gift of accident investigation software and related technology will be extremely helpful in crime and accident scene assesment and investigation. The training is included so no additional costs will be incurred. Lastly the interagency agreement involving City of Stamford and Town of New Canaan was discussed. Chief Lovello spoke favorably of the joint police functions. Anita Rycenga made special reference to item 6 within the agreement which indemnifies and holds harmless any and all claims caused by a party's negligence and wondered if this opens the Town up to potential liability. Bruce Orr will be in touch with Karl Kilduff, Town Administrator, to review our insurance policy to ascertain whether or not we have required or sufficient coverage for such matters as incremental liabilty thus minimizing risk exposure.

Jack Davis moved, John Wolcott seconded acceptance of JAG grant and the vote was unanimously in favor with nine members voting.

Ted Hawkins moved and Nora McIlree seconded acceptance of gift from DTCF and the vote was unanimously in favor with nine members voting.

John Price moved we approve resolution 10-3 mutual police assistance agreement with the condition that the insurance policy of the Town is reviewed for sufficient coverage, and was seconded by Anita Rycenga and the vote was unanimously in favor with nine members voting.

(Members not in attendance for these votes were Terry Duffy and Marc Thorne)

Next agenda item was the discussion of tax abatement ordinance for handicapped vehicles. A review revealed that the grant of exemption would strictly be for vehicles that are specially equipped to transport the incapacitated and proof of vehicle modification would be required as part of the application process. The financial impact is deemed to be minimal to the Town.

John Price moved we accept the resolution 10-4 Charles Brode seconded and the vote was unanimously in favor with nine members voting.

Next up for consideration was resolution 09-17a on purchase of the Tweedy property for the Goodwives sewer extension project. Bruce Orr reminded us that we had approved \$2.7 mil with the passing of resolution 09-17 and that the \$39,100 cost associated with this purchase was included therein.

Anita Rycenga moved we accept resolution 09-17a John Wolcott seconded and the vote was unanimously in favor with nine members voting.

Next up for discussion was resolution 10-5 on tax abatement ordinance for low and moderate housing. Some questions raised were “why do we need this ordinance” and “does it leave the Town vulnerable to lawsuits”. The 39 year term of such abatement was also of concern. Many contributed to the discussion including Joe Warren who was in the audience and offered to shed some light on the matter acting in the capacity of a taxpayer. The ordinance is needed since the tax assessor does not have the authority to reduce tax to zero. He can lower assessment via deed restrictions as was the case with Clock Hill Homes but cannot reduce to zero. This ordinance gives the Town a tool to do so. Anyone can bring a lawsuit but it was the opinion of Wayne Fox, Town Counsel that they would be unsuccessful since the ordinance is purely discretionary. The ordinance could be improved upon by including some language that each individual contract be reviewed by BOS, BOF, RTM and it was noted that the abatement can be phased out over time well before 39 years based on cash flow assumptions within the contract language. These matters could be part of the contract negotiations. There is no way of assessing the financial impact to the Town of passing this ordinance since each application and resulting contract will be negotiated differently and involve unique circumstances. The way the ordinance is currently written the First Selectman may enter into contracts with the approval of the RTM and the issuance of a special permit by Darien Planning and Zoning Commission. The general consensus of the finance and budget committee was that the Board of Finance be involved in some advisory capacity to assess the financial impact that any contract would have on the Town, etc. and that such involvement be written into the resolution adopting the ordinance.

The Finance and Budget Committee would entertain a motion if the draft of the ordinance/resolution included language that required the Board of Finance be requested to review any application and resulting contract and report it's opinion of the financial impact to the Town to the BOS and RTM. All ten members of the committee present were in favor.

Lastly, Bruce Orr reviewed BOE and BOS budget meeting schedules and encouraged attendance by committee members. Jack Davis was commended by all committee members for his due diligence with respect to the BOE budget. He will prepare a bullet point summary of suggestions to be shared with the BOE during our 15 minute time allotment and circulate it among F&B committee members for feedback/approval prior to presentation.

Bruce Orr moved to adjourn the meeting at 10:30 p.m.

Dated: Jan. 22, 2010
Respectfully submitted,
Anita M. Rycenga, Clerk
RTM Finance & Budget Committee